



**Third & Final Meeting
2003 Interim
October 20 & 21, 2003**

**Room 412 and LCR 1&2
State Capitol Building
Pierre, South Dakota**

The third and final meeting of the interim Committee on School District Educational Equality & Organization was called to order by Representative Phyllis Heineman, Chair, at 8:45 a.m. on Monday, October 20, 2003, in Room 412 of the State Capitol Building in Pierre, South Dakota.

A quorum was established with the following members answering the roll call: Senators Robert Duxbury, Frank Kloucek, and John Koskan (Vice-Chair); and Representatives Julie Bartling, Mike Buckingham, Thomas Deadrick, Joel Dykstra, Jeffrey Haverly, Phyllis Heineman (Chair), Kent Juhnke, Maurice LaRue, Ed McLaughlin, Jim Peterson, Burdette Solum, and John Teupel. Senator Jay Duenwald and Representatives Jim Bradford, Burt Elliott, and Bill Van Gerpen were unable to attend.

Staff members present included Mark Zickrick, Principal Fiscal Analyst, and Rhonda Purkapile, Senior Legislative Secretary.

For the purpose of continuity, these minutes are not necessarily in chronological order.

A motion was made by Representative Haverly, seconded by Representative McLaughlin, that the minutes of the August 11&12, 2003, meeting be approved as written. The motion carried on a voice vote.

A motion was made by Representative Dykstra, seconded by Representative Solum, that the agenda be adopted. The motion carried on a voice vote.

No Child Left Behind: A Report on South Dakota Schools

Ms. Diane Lowery, No Child Left Behind (NCLB) Coordinator, Department of Education, presented the committee with statistics from the 2003 State Accountability System (**Document #1**). Ms. Lowery testified that the new accountability system now holds all public schools accountable for the progress of their students. The goal of NCLB is to have all students at proficient status or above by a certain date. Ms. Lowery reviewed the 2003 state level scores with the committee. She noted that the Annual Measurable Objective (AMO) is very state specific. Ms. Lowery informed the committee that the Limited English Proficient (LEP) students are the lowest performing subgroup until the high school level, at which time students with disabilities become the largest group of lowest performing students.

In response to questions, Ms. Lowery indicated that Sioux Falls is the only city in South Dakota that receives refugee families, so the LEP category is a more specific problem area for their schools. Other students who might be included in the LEP category are migrant students and Native American students. Migrant students are those students who move with their families for agricultural purposes.

Representative Dykstra commented that he did not perceive a large migrant population in South Dakota, noting that most migrant families moving to South Dakota have chosen to stay and end up living in South Dakota for years. Ms. Lowery replied that the state has federal guidelines it must follow when counting migrant students. A student is counted as a migrant student for three years after they have moved to an area for agricultural purposes. She noted that the state does receive some federal funding to assist in the education of migrant students.

Representative LaRue commented that it almost becomes catastrophic for a small school district to have to deal with the many different languages of LEP students, and added that this could really skew test scores.

Ms. Lowery noted that the state is the recipient of a federal refugee assistance grant which is passed on to the Sioux Falls school district. They can utilize this grant money to hire individuals specifically to help those LEP students learn the English language.

Ms. Lowery reported that 32 schools (found in 16 districts) have been placed on school improvement. All of these schools are Title I schools. Most of the schools placed on improvement have populations of Native American and LEP students, as well as poverty similarities.

Ms. Lowery stated that 206 schools (found in 81 districts) have been placed on alert status because they did not meet Adequate Yearly Progress (AYP) goals. If they do not meet AYP goals for a second consecutive year, they will then be placed in school improvement. A total of 111 districts did not make AYP and have been placed on alert status.

A school must meet AYP for two years in a row to get removed from school improvement status.

Ms. Lowery reported that the department provides assistance to all school districts, but with limited resources available, the emphasis will be placed on those schools under school improvement. NCLB allows for improvement or progress. By the 2013-2014 school year, the public schools should be at 100 percent of students at proficient or advanced levels. The goal is to stair step each year to the final goal of 100 percent in the 2013-2014 school year. This plan is specific to the state of South Dakota.

Senator Kloucek asked what safety factors are in place to prevent cheating on the proficiency tests. Ms. Lowery noted that if an incidence of cheating was reported, it would be investigated and addressed. She stated that the department has to believe that the teachers and the administrators will follow the rules of the testing process.

Mr. Wade Pogany, Department of Education, presented the committee with information he had received while attending the U.S. Department of Education's High School Leadership Summit (**Documents #2 & #3**). Mr. Pogany reported that most of the discussion centered around a growing concern among the business sector that students today are not skilled in math and language. Ninety-seven percent of students in the United States have the expectation that they will go on to post-secondary education but only 65 percent actually do. There seems to be a real disconnect between where they want to go and how to get there. Mr. Pogany reported that the summit recognized the significant need for highly trained teachers at the high school level. There was a call for more professional development of all teachers, especially at the high school level. The three main themes emerging from the summit were high expectations of the students, developing rigorous curricula, and staff development.

Mr. Pogany testified that the S.D. Department of Education is concerned because test results showed that our 11th grade students did fairly well in math but not in reading.

Dr. Rick Melmer, Secretary, Department of Education, testified that the department is working on a summary of its thoughts and position on NCLB and will be forwarding this to our delegation in Washington, D.C. He noted that there are some very good elements in NCLB but there are also some areas of concern which need to be addressed.

Dr. Melmer stated that the department anticipates a real challenge next year due to the number of schools that are on alert status this year. The overall attitudes about NCLB are generally good, but there are some people that are not yet on board. The department is challenging the educational leaders in the communities to be supportive of NCLB.

Dr. Melmer noted that anytime you are doing high-stakes testing from a school district perspective, you must realize that people will do anything they can to be successful. He cautioned the Legislature to not be shocked if they hear of people trying to use every advantage they have to be successful.

Dr. Melmer reported that the Governor has put together a Joint Commission on Education comprised of 7 members each from the former Citizens Education Task Force and the Educators Task Force. These individuals have been asked to meet and discuss recommendations to the Legislature with regard to education issues. Four main areas were discussed at the first meeting: 1) high school requirements or rigorous curriculum; 2) teacher preparation, recruitment and retention; 3) early childhood education; and 4) increased involvement and influence from the department and the Board of Education.

Representative Haverly asked for a list of the people involved in the Joint Commission on Education, which was provided later in the meeting by the department (**Document #17**). Ms. Cholik, LRC, also provided the committee with a summary of the October 16 meeting of the Joint Commission on Education (**Document #16**).

In response to committee questions, Dr. Melmer indicated that the department is concerned about the long-term costs of NCLB. It is not known whether states will continue to receive additional federal funding for NCLB. Dr. Melmer felt that the state will have a difficult time providing the school districts with the financial assistance they may need for NCLB.

Dr. Melmer identified the Department of Education goals as follows: 1) lead the way in professional development and training for teachers and administrators; 2) work on early childhood development and education; 3) focus on high school reform; 4) continue to be a leader with legislative issues; 5) work in the area of Indian education; 6) market the department and services available to the school districts; and 7) review and refine the consolidation approval process for schools.

Senator Kloucek asked Dr. Melmer what he sees with regard to the future of vocational education programs in high schools. Dr. Melmer replied that students should have the opportunity to explore a variety of educational activities. However, the reality is that finances are a huge barrier to school districts in providing a wide array of selections for students. Representative Teupel suggested that perhaps an educational cooperative could be of use to provide vocational education opportunities to those districts who cannot afford to provide them on their own.

Representative Peterson asked if the department will be encouraging the use of multi-district or educational cooperatives for purposes other than vocational education. Dr. Melmer replied affirmatively, but noted that there is a fear in the smaller communities that they will eventually lose their schools.

High Schools That Work

Dr. Gene Bottoms, Senior Vice President, Southern Regional Education Board (SREB), spoke from prepared remarks (**Document #4**). Dr. Bottoms reported that the SREB was created in 1948 by the southern governors to improve education in the South. By 1980, the board decided they had improved higher education all they could until K-12 education was improved. Ultimately, the goal is that all

students have a high school diploma and have a solid academic preparation and are ready for post-secondary education and/or a career.

Dr. Bottoms reported that one area of disconnect between higher education and high school is the offering of remedial courses in colleges. Steps should be taken at the high school level to address these problems so students do not have to take remedial coursework in college. Dr. Bottoms testified that the only way you will get the most basic students proficient in math is to require four years of mathematics in high school.

Dr. Bottoms reported that improving high schools begins with the right goals, such as: 1) increase annually the percentage of students performing at the proficient level in reading, math and science; completing college-prep studies in math, science and language arts; and entering grade nine and completing four years of high school; 2) increase annually the percentage of high school students who have earned post-secondary academic credit; 3) reduce annually the percentage of students having to take remedial classes in college; and 4) advance state and local policies and initiatives necessary to sustain a continuous school-improvement effort.

Dr. Bottoms testified that the senior year has become a costly year for taxpayers. The Legislature may want to provide incentives for students to complete high school credits for graduation in three years and work on college credit courses during the senior year. He felt that students should not have to wait until they get to college to find out they are not prepared. Many students are capable of taking the tougher courses, but they do not choose to take them. The senior year should be strengthened. However, when students are pushed into the tougher courses, the schools must be prepared to give extra help to those students who need it.

Dr. Bottoms reported that the highest failure rate in America is at grade 9. He stated that there is a high percentage of male youth in high school who do not see any connection between high school and life beyond high school. Transitions between middle grades and high school and between high school and higher education need to be improved for students. Possible action to improve those transitions include giving college placement exams to all juniors and aligning curricula to post-secondary expectations; creating special courses for students failing the college placement exams in grades 10 and 11; and aligning career/technical programs with post-secondary equivalents.

Representative Haverly asked about the importance of the K-5 level of schooling. Dr. Bottoms responded that it is extremely important. He noted that students in the United States are among the top three nations by the end of grade 4; however, our problem is in the later grades. High school can undo the gains made at the grade school level if the accelerated level of learning is not continued through middle school and high school.

Representative Dykstra asked how to reward teachers who excel. Dr. Bottoms replied that Kentucky has an experiment underway that will base teacher pay upon performance. Many states do pay teachers more who have received national board certification. Another state is looking at paying their highly qualified teachers more money if they are willing to teach in disadvantaged areas.

Representative Teupel asked how to deal with those in the education field who are resistant to change. Dr. Bottoms replied that the accountability movement has been the engine that has begun to drive change. He noted that Texas has had some success in this because they have maintained a continuous improvement mode despite the change in leadership in their state. The Legislature and State Board of Education setting a few basic goals is fundamental to change.

Dr. Bottoms recommended that South Dakota examine the concept of virtual high schools, that the state maximize the multi-district concept, and create opportunities at local colleges for high schools.

Dr. Bottoms left several articles with the committee with regard to the Making Schools Work program **(Documents #5 through #9)**.

Chair Heineman recessed the committee at 12:30 p.m. for lunch and reconvened the committee at 1:17 p.m.

School District Reorganization, History and Statutes

Mr. Tom Harmon, Tieszen Law Office, testified that in 1955-56 there were over 3,000 school districts in South Dakota. Over the years, this has been reduced to 172, and several of those districts are involved in reorganization and consolidation discussions. It is clear that more school districts will be reorganizing and consolidating when you look at the trend of decreasing enrollments.

Mr. Harmon stated that reorganization is a painful process for the school districts, although it has become a necessity of the times. The incentive fund for reorganization is a good idea. The current reorganization system works very well but perhaps could use a little fine-tuning to make it easier. He suggested the Legislature consider a minor adjustment regarding when the reorganization petition is filed. The school boards must develop a plan to accomplish the desire expressed in the petition, and sometimes the petitions are worded somewhat vaguely and do not have a great deal of detail. Perhaps some discretion as to what might be included in the plan is in order.

Representative LaRue asked if incentives should be tied to the number of students. Mr. Harmon replied that currently there is a limit of 400 students, which keeps larger school districts from absorbing smaller school districts. The difficulty he would see in trying to determine an outcome with numbers of students is that South Dakota is so geographically diverse.

Mr. Harmon noted that a district can dissolve, but incentive money is not available under that option.

Alternatives to reorganization are available, Mr. Harmon noted. School districts can combine services but still maintain their identity as a separate school district (education cooperatives), districts can share employees, and also combine activities and athletic endeavors. Joint powers agreements are also available. The Legislature could give the school boards the power to create an actual legal entity through a joint powers agreement.

Mr. Harmon testified that continuing contracts for teachers is a large problem during reorganization and suggested that the Legislature might want to examine this issue. Perhaps the pre-existing boards could negotiate with the teachers with regard to what will happen to them once the school district ceases to exist.

Representative Dykstra asked about border districts that have South Dakota students attending school in other states. Mr. Harmon replied that a number of these districts are not viable as an entity by themselves, but they have been historically attached to a neighboring district for quite some time. Representative Dykstra commented that this is a drain of South Dakota resources to other states. Mr. Harmon commented that those border districts also receive students from other states. Representative Peterson added that when discussing border students, the committee must differentiate between open enrollment students and school districts that belong to an educational cooperative. Mr. Harmon acknowledged that open enrollment has changed the discussions, but noted

that the open enrollment policy does not change how minor boundary changes of school districts are made.

Representative Buckingham asked Mr. Harmon for his opinion on school funding lawsuits. Mr. Harmon replied that South Dakota's school funding formula was successfully defended with some minor changes. He felt that NCLB might rejuvenate some concerns that people had with appropriate levels of funding of education, but they will probably be based more upon level of effectiveness rather than level of funding.

Shared Services Among School Districts

Mr. Chris Anderson, Superintendent, Wood School District, testified that he has been dually employed by more than one school district and that it can work. Most changes in school districts that will save money involve personnel, and most savings beyond administrators will come at the high school level. If a job is taken out of a community, especially a smaller community, it often moves that community one step closer to its demise.

Mr. Anderson testified that the 20 percent cap on investment portfolios has really hurt small schools. School funds foster economic growth in small communities. Allowing the school to invest with the State Investment Council would help schools. Foundations to fund teaching positions would also help. Mr. Anderson stated that cross-government funding is a good idea. Mr. Anderson testified that bidding large purchases amongst several school districts could be a cost savings.

Mr. Anderson testified that since the Wood School District does not operate a high school, its high school age children are not allowed to open enroll in other school districts. The Wood School District must pay tuition for those students.

Mr. Anderson stated that the business manager position within a school could be combined with another position in the school district. This could also be handled through regional or educational cooperatives. Mr. Anderson said that efficiencies could be derived and items shared between school districts if they adopted the same calendar and schedule. Teachers could be shared or they could be rotated from one school to another.

Mr. Anderson stated that he felt it would be difficult to job-share principal positions because of the day-to-day operation of the schools. It is much easier to combine the top administrative positions. The most important thing in reaching a shared superintendent agreement would be that time spent on site has nothing to do with the quality of the work.

Mr. Jack Broome, Superintendent, Burke School District, and a member of the State Board of Education, testified that the State Board of Education would want to be included in any discussions to provide the best delivery of education to South Dakota students. Mr. Broome felt that there will be lots of changes in education in the near future, and that things will start happening fast, especially with NCLB. Representative Heineman asked Mr. Broome why the sense of urgency, and he responded that this is due mainly to the declining enrollment issue.

Senator Kloucek asked if the board has any preference on what, if any, mandates they would like reinstated. Mr. Broome replied that while this has been discussed, the board has not come to any conclusion on the former education mandates.

Representative Haverly asked if the Legislature should stay out of the reorganization issue and let it happen naturally. Mr. Broome replied that it will happen whether or not the Legislature becomes involved.

In response to committee questions, Mr. Broome indicated that one of the biggest challenges a school district has is making sure its students have access to a lot of exploratory courses. He did not envision each school district providing a wide array of vocational instruction unless they co-op with other school districts for that purpose.

Representative Dykstra commented that if the schedules could be synchronized among the schools, it would become a more viable option to be able to offer more educational opportunities. Senator Duxbury commented that curriculum is an important area in which changes could be made.

Public Testimony

Mr. Larry Nelson, recently retired director of the Career and Technical Education program within the Department of Education, testified that career and technical education can be a very valuable component to high school reform. He stated that much of the agricultural technical education courses can be counted as a science credit. Mr. Nelson expressed his fear that if career and technical education is not funded within the schools, it will disappear. He reported that of the 172 school districts, about 140 have some type of approved program for career and technical education.

Ms. Christie Johnson, School Administrators of South Dakota (SASD), testified that the Legislature and the State Board of Education need to be talking about high expectations and standards for students rather than consolidation. Ms. Johnson advocated high standards, quality teachers, instructional leadership (every facility should have a certified instructional leader), and safe buildings for students.

Mr. Gene Enck, Associated School Boards of South Dakota (ASBSD), testified that an issue that school districts have been dealing with is school buildings that are being condemned. He stated that this will probably be somewhat of a catalyst for consolidation. He presented the committee with a history of school district consolidations (**Document #18**).

Chair Heineman recessed the committee at 4:40 p.m.

Tuesday, October 21, 2003

Chair Heineman reconvened the meeting in Legislative Conference Rooms 1 & 2 at 8:33 a.m. with the following members in attendance: Senators Jay Duenwald, Robert Duxbury, Frank Kloucek, and John Koskan (Vice-Chair); and Representatives Julie Bartling, Jim Bradford, Mike Buckingham, Thomas Deadrick, Joel Dykstra, Burt Elliott, Jeffrey Haverly, Phyllis Heineman (Chair), Kent Juhnke, Maurice LaRue, Ed McLaughlin, Jim Peterson, Burdette Solum, John Teupel. Representative Bill Van Gerpen was unable to attend.

Staff members present included Clare Cholik, Senior Research Analyst; Mark Zickrick, Principal Fiscal Analyst; and Rhonda Purkapile, Senior Legislative Secretary.

The Courts and School Finance

Ms. Patty DeVaney, Office of the Attorney General, presented the committee with a summary of the court opinion in the 1994 lawsuit with regard to the state aid to education formula (**Document #10**).

This lawsuit has been the most recent that addressed the state aid to education formula. The lawsuit was actually initiated in 1991 but did not go to trial until 1994. The trial lasted eight weeks and was really a comprehensive look at our state's system of public education. Ms. DeVaney reported that the court found that South Dakota students were receiving an adequate education. The court also recognized that local control is an important element in providing that education. Ultimately, the court found that the data and statistics showed that many of the school districts providing an outstanding educational program were doing so at a cost per student that was below the state average and that South Dakota students performed well above the national average on standardized tests.

Ms. DeVaney reported that the court also took a comprehensive look at the funding of education. The court found that the formula achieved substantial distribution equity particularly after the hold harmless provision was phased out of the formula.

Ms. DeVaney testified that the court concluded that "general and uniform" does not require equal property wealth or equal spending per student. The court concluded that in evaluating educational funding, the amount of money spent on education was less significant than how the money was used. The court concluded that the state was in compliance with the constitutional clauses because the state requires and provides core educational opportunities within each school district while also permitting local control over what they desire and can furnish above and beyond the minimum.

School District Data

Mr. Ron Woodburn and **Mr. Alex Rodriguez**, Bureau of Information and Technology, demonstrated for the committee how the GIS can be used to plot maps based on school district data. Mr. Woodburn presented the committee with a list of the field names and field descriptions utilized by the GIS program with the Department of Education statistics (**Document #11**).

Student Evaluation Services

Representative Heineman presented the committee with information announcing the collaboration effort between the Broad Foundation, Standard & Poor's, and the U.S. Department of Education that will post information about school test results and student achievement on the Internet so the general public can monitor the progress of schools (**Documents #12, #13, #14, and #15**).

Ms. Jacque Lane and **Mr. Bob Durante**, Standard & Poor's, testified via teleconference call about the project. Ms. Lane testified that Phase I of the project is the creation of the Web site, which is designed to help all 50 states report and use NCLB information. Data will also be provided at the district and school levels.

Phase II of the project will be an interactive Web site which will deliver additional financial, demographic, school environment, and spending information on school districts. It will offer a unique return on resources analysis that examines the relationship between student achievement and spending given a district's learning environment, demographics, and finances.

Ms. Lane testified that state participation and full reporting of data through this initiative constitutes complete reporting compliance as required by NCLB. There will also be an annual report printed for each state. School district reports will also be developed for each district in the state in the second year of the project.

Representative Bradford asked if there will be comparisons of all schools within the state. Ms. Lane replied that the Web site will list comparisons of the state-funded public schools. If the Bureau of

Indian Affairs (BIA) schools report data to the state, then it will be included. Representative Haverly stated that it is voluntary at this point for the BIA schools to take the NCLB tests and report to the state. He said that he had been advised that the BIA will be developing its own NCLB program.

In response to questions, Ms. Lane stated that they envision this Web site being utilized by a wide variety of individuals. She felt that parents, school administrators, and legislators will get great use of the information that will be included on the Web site.

Regional Accreditation

Representative Buckingham testified that he feels regional accreditation is a goal that each school district should pursue. He noted that there is a process in place that leads to higher achievement for those schools who have attained accreditation status through North Central Accreditation (NCA). Representative Buckingham commented that many of the major higher education facilities across the country require the students to have graduated from a regionally accredited high school. He felt that regional accreditation is a valid step for South Dakota schools to pursue; however, he felt that there will be schools in South Dakota that cannot meet the standards for regional accreditation. Educational cooperatives could then come into play to help those schools reach NCA standards. Because there is a cost to pursue NCA accreditation, Representative Buckingham felt it appropriate that the Legislature recognize that expense and encourage schools to go through the process.

Review of Proposed Legislation

Draft B--An Act to revise the calculation of state aid to education based upon the regional accreditation status of certain schools. (Document #19)

Representative Dykstra testified that this legislation is a result of a combination of issues such as accreditation, small school by choice or small school by necessity. He stated that the small schools receiving a subsidy should be required to meet minimum requirements and one way to ensure this is through regional accreditation.

Representative Peterson commented that he would look at this as an unfunded mandate because it costs schools money to go through the regional accreditation process.

Representative Teupel commented that he likes the policy statement of encouraging all schools to become regionally accredited, but he did not feel this should be tied to the small school factor.

Senator Duxbury commented that perhaps the standing committees on Education could receive more information on regional accreditation during the first week of session.

Chair Heineman recessed the committee at 11:55 a.m. for lunch and reconvened the committee at 1:15 p.m.

Draft A--An Act to allow two or more school districts to include an existing excess tax levy in their consolidation plan. (Document #20)

Representative Dykstra testified that Draft A essentially says a school district can include an existing opt out in the reorganization plan and the people could vote on that along with the plan.

Senator Duxbury commented that the opt out provision has been a hindrance to reorganization plans in the past. Representative Peterson stated that he views this as permissive legislation which allows for local control of this issue.

Representative Teupel commented that he did not like combining the two issues. He noted that there are incentive dollars for reorganization or consolidation and perhaps the Legislature should examine the possibility of increasing those incentives to offset the expenses of reorganization and consolidation.

It was moved by Senator Duxbury, seconded by Senator Koskan, that the committee adopt Draft A. The motion carried on a roll call vote (11-5-3). VOTING AYE: Duxbury, Bartling, Bradford, Deadrick, Dykstra, Elliott, LaRue, McLaughlin, Peterson (Jim), Koskan, Heineman. VOTING NAY: Duenwald, Buckingham, Juhnke, Solum, Teupel. EXCUSED: Kloucek, Haverly, Van Gerpen.

Chair Heineman designated Draft A as a House Bill with Representative Dykstra and Senator Duxbury as prime sponsors.

Draft C--An Act to allow school districts to impose an excess tax levy that is not subject to referral under certain circumstances. (Document #21)

Senator Koskan testified that Draft C would allow school districts to opt out of the tax freeze without a referral vote for the purpose of sharing superintendent services with other school districts.

Draft E--An Act to establish a statewide shared school superintendents program. (Document #22)

Senator Koskan testified that Draft E sets up a statewide shared superintendent program.

Representative Teupel asked what prevents school districts from sharing a superintendent at this time. Senator Koskan replied that nothing in statute or rule prevents this, but most school districts do not want to lose a superintendent.

Ms. Christie Johnson, School Administrators of South Dakota, testified that several school districts are discussing the possibility of sharing superintendent services.

A motion was made by Senator Koskan, seconded by Representative Heineman, that the committee adopt Draft E. The motion failed on a roll call vote (2-14-3). VOTING AYE: Elliott, Koskan. VOTING NAY: Duenwald, Duxbury, Bartling, Bradford, Buckingham, Deadrick, Dykstra, Juhnke, LaRue, McLaughlin, Peterson (Jim), Solum, Teupel, Heineman. EXCUSED: Kloucek, Haverly, Van Gerpen.

Draft D--An Act to require the collection and reporting of certain school district transportation data. (Document #23)

Senator Koskan testified that Draft D is an attempt to collect school transportation data to determine if transportation expenses are a significant budgetary issue.

Representative Teupel commented that it should not be necessary to put information requests in statute.

Representative Dykstra commented that the transportation issue in school districts is a very good example of local control.

Mr. Gene Enck, Associated School Boards of South Dakota, testified that some school districts bus students due to safety concerns and some bus students because that is the way they have always operated. He noted that information on transportation is included in the reports from the school districts to the Department of Education. He added that transportation costs will change from year to year with the change in student enrollments.

Draft F--An Act to extend the period of time for which a newly consolidated school district receives additional funds. (Document #24)

Representative Dykstra commented that Draft F is an attempt to sweeten the pot for school district reorganization. This would extend the time from three years to five years of additional funding for consolidated school districts.

Representative Teupel commented that he did not think the Legislature should do anything with this provision at this time. He felt that most of the cost incurred would be during the first three years.

Draft G--An Act to require schools to offer a core curriculum in order to meet state accreditation standards. (Document #25)

Representative Deadrick testified that Draft G stipulates that each public high school in South Dakota would have to offer the Regents Scholar Program as a core curriculum in order to become accredited.

Representative Bartling commented that this legislation does not address private schools.

A motion was made by Representative Dykstra, seconded by Representative Bartling, to amend Draft G as follows: On page 1, line 6, after "public" insert "or nonpublic"; remove the overstrikes from lines 19 and 20 on page 2; on page 2, line 19, overstrike "minimum" and insert "other"; and that Draft G be adopted as amended. The motion prevailed on a roll call vote (14-2-3). VOTING AYE: Duenwald, Duxbury, Bartling, Bradford, Buckingham, Deadrick, Dykstra, Elliott, Juhnke, LaRue, McLaughlin, Teupel, Koskan, Heineman. VOTING NAY: Peterson (Jim), Solum. EXCUSED: Kloucek, Haverly, Van Gerpen.

Chair Heineman designated Draft G as a House Bill with Representative Deadrick and Senator Duenwald as prime sponsors.

Draft I (Revised)--An Act to provide for a basic high school program and a recommended high school program, and to require most students to complete the recommended one. (Document #26)

Representative Heineman testified that Draft I (Revised) speaks to graduation requirements.

Representative Teupel commented that if there is a statement to be made by the committee, it should be that South Dakota needs to increase its core curriculum and graduation requirements. Senator Duenwald commented that we must make sure we offer what the students need.

A motion was made by Representative Teupel, seconded by Representative Buckingham, that the committee adopt Draft I (Revised).

A substitute motion was made by Representative Teupel, seconded by Representative Deadrick, that language be added stating that by the 2006-2007 school year all schools will have to offer the Regents Scholar Program for accreditation.

After committee discussion, the substitute motion was withdrawn by Representatives Teupel and Deadrick.

The original motion prevailed on a roll call vote (16-0-3). VOTING AYE: Duenwald, Duxbury, Bartling, Bradford, Buckingham, Deadrick, Dykstra, Elliott, Juhnke, LaRue, McLaughlin, Peterson (Jim), Solum, Teupel, Koskan, Heineman. EXCUSED: Kloucek, Haverly, Van Gerpen.

Chair Heineman designated Draft I (Revised) as a House Bill with Senator Duenwald and Representative Heineman as prime sponsors.

Draft H (Revised)--An Act to require the Department of Education to provide for computer access for certain rural attendance centers in South Dakota and to make an appropriation therefor. (Document #27)

Representative Deadrick testified that there are 139 rural attendance centers that do not have Internet access or access to the state's video telecommunication services. Draft H (Revised) provides for this to be done over a ten-year period.

Representative Teupel felt that doing this over a ten-year period would take too long. He was in favor of shortening the time frame of the project. Representative Deadrick agreed that it should probably only take five or six years in terms of the money available and with the number of schools closing. He added that the money for this project would come from declining enrollment savings in the school funding formula.

It was moved by Representative Deadrick, seconded by Representative Buckingham, to amend Draft H (Revised) as follows: On page 1, line 7, delete "ten" and insert "twenty"; on page 1, line 10, delete "ten" and insert "twenty"; on page 1, line 12, delete "2014" and insert "2009"; on page 1, line 13, delete "two hundred eighteen thousand dollars (\$218,000)" and insert "four hundred thirty-six thousand dollars (\$436,000)"; and that as so amended Draft H (Revised) be adopted. The motion carried on a roll call vote (15-1-3). VOTING AYE: Duenwald, Duxbury, Bartling, Bradford, Buckingham, Deadrick, Dykstra, Elliott, Juhnke, LaRue, McLaughlin, Peterson (Jim), Teupel, Koskan, Heineman. VOTING NAY: Solum. EXCUSED: Kloucek, Haverly, Van Gerpen.

Chair Heineman designated Draft H (Revised) as a House Bill with Representative Deadrick and Senator Duenwald as prime sponsors.

It was the committee consensus that a letter expressing the committee's belief that the math and science requirements at the high school level be strengthened be sent to the State Board of Education, the Board of Regents, the Department of Education, the Governor's Joint Commission on Education, and the Governor's Office.

A motion was made by Representative Teupel, seconded by Representative Juhnke, that the meeting adjourn. The motion carried on a voice vote.

Chair Heineman adjourned the meeting at 4:17 p.m.



